



21st Century Scholars Program, Indiana University Bloomington

Maximizing Your Covenant: What to Consider Before Renting an Apartment

INDIANA UNIVERSITY BLOOMINGTON

21CS The basics: A Refresher

21CS Eligibility Requirements

- File FAFSA every year by the April 15th deadline
- Complete at least 30 credit hours by the end of each academic year
 - credit bank, summer courses...
- Maintain SAP – Satisfactory Academic Progress
 - GPA based on major;
 - complete courses avoiding W/F/Incompletes;
 - make timely progress to completing your degree within 4-6 years.

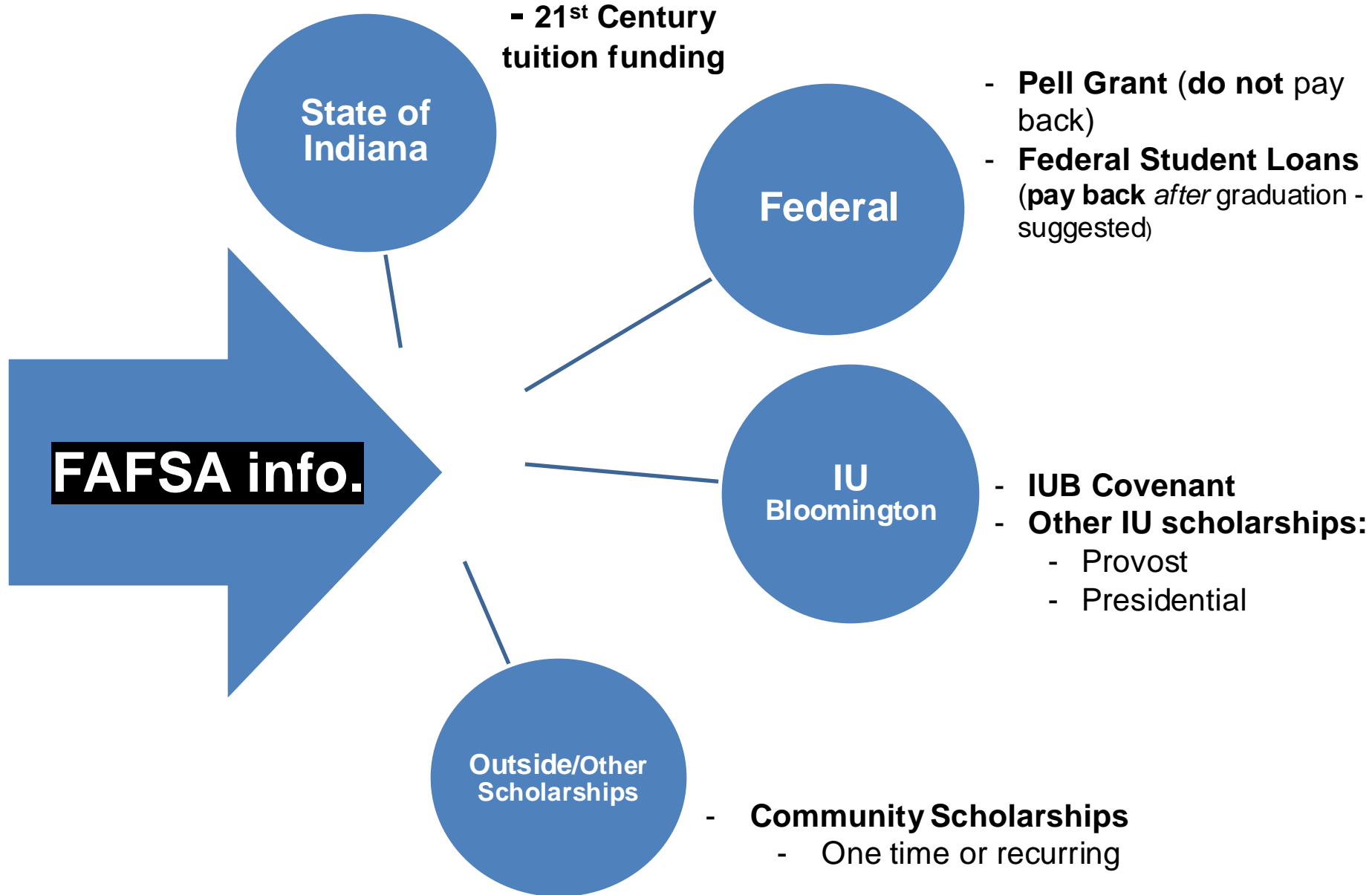
Why is this important?

- IF you lose your 21st Century Scholarship at Indiana University, you will also lose your 21st Century Scholarship **Covenant** Award
- This has the potential to negatively impact your ability to pay for housing!



Let's break down financial aid...

Where does your money come from?





21CS Only Covers Tuition

- 21st Century Scholarship is a **tuition** scholarship.
- The funding from the state covers 100% of **tuition and the mandatory fees**
 - IUB Cost of Tuition & Fees 2024-25: \$12,142 per year ; **\$6,071 per semester**
- Because 21CS is a **tuition scholarship**, it **does not** pay for housing, meal plans, books, or other expenses – only tuition and mandatory fees.
- Tuition and fees are paid **directly** to the University and **cannot** be used for anything else.
- All your other **financial aid** that is not used for tuition (21CS), will make up your **refund/reimbursement** amount!



The Covenant Scholarship

- The 21st Century Scholarship **Covenant** award is available to 21st Century Scholars who are financially eligible based on FAFSA info.
- It was created to fill the financial gap after tuition and other aid resources are factored in.
- The Covenant is an automatic financial award—it does not require a separate application.
- **Please Note:** The Covenant scholarship **does not adjust** based off your specific housing costs, transportation costs, books & supplies.



Wait, there's money available for off-campus living???

The reality of your refund/ reimbursement:

- You will (if not already) hear about financial aid refunds, or just “refunds”.
- Technically, it is a **reimbursement** for being issued **more** financial aid **than needed** for your **billed expenses**. (expenses = \$15,700/ semester; aid = \$17,700; reimbursement (refund) = \$2,000)
- Here’s how it works:
 - First-year, you live on campus, all aid you receive goes toward your charges:
 - Tuition = 21CS
 - Residence hall, meal plan, other fees = other aid, NOT 21CS tuition funding. Could be Pell Grant, Covenant, other IU Scholarships, etc.
 - Second-year and beyond students typically live off-campus or in an IU apartment. If you are not living in a residence hall room, like freshman year, your money works differently.



How do I estimate my refund?

- [MoneySmarts Tool](#)
- Semester Refund Estimate Formula:

refund from this semester (if applicable) + fall room charges + fall meal plan charges = Semester Refund Estimate



If you live off-campus or in an IU apartment...

- **Everyone is billed for tuition, regardless of where you live.** Your 21CS scholarship covers tuition and mandatory fees.
- All aid that is **NOT** 21CS tuition (Pell Grant, Covenant, other IU scholarships, external scholarships, federal loans) will be available, as a reimbursement, to use for your housing and associated bills like utilities, food, etc.
 - If you sign up for Bursar Direct-Deposit, funds will be electronically transferred to the connected bank account before classes begin.
- **YOU** must set your refund aside for rent and other expenses. **No one** will do this for you.



First things first... it costs to get an apartment...

1. What is needed to secure/ get the apartment?

- Security deposit – one, two, even three months rent **OR** a set amount determined by the rental company.
- Application fee
- Many students need either a co-signer or guarantor **OR** some rental companies allow you to pay a larger deposit.
 - A guarantor is someone who can essentially cover the rent if you don't pay it. There is usually a credit check and an income requirement.



2. How do I get money to get an apartment?

- When the deposit is due, financial aid does not issue you funding for that. You are responsible for financing that this fall/spring, on your own.
- Some students will pick up a job on campus to help with cost and others will also, if possible, save any reimbursement from spring to help with the cost.



Expenses to Consider – Off-campus basics

Most of these services require a deposit. Call to find out.

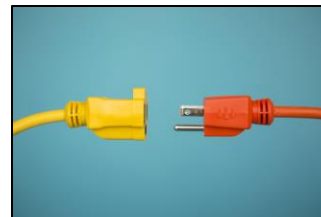
1. **Electric** (everyone needs but is it included in your rent or a separate charge?)
 - Duke energy is the main provider.
 - There is often a deposit needed to begin an account and get service.
 - Call them ahead to see what that charge might be for you as an individual.
2. **Gas** (some places have for cooking and heating)
 - If you only want to pay for electric, make sure the place you select does not have gas or it will be a separate bill.
3. **Internet/ Wi-fi**
 - Some places include it in rent, others you will need to contact Xfinity, Verizon, Smithville, or AT&T.

4. Water

- Some places, water is included, others you have to get an account like electricity.
- City of Bloomington is the largest water provider.

5. Sewage

- You have to pay for trash removal unless it is stated as included in your lease.
- Several companies in town to choose from, **search**: “sanitation services Bloomington, IN”.



Additional Expenses to Consider

1. Food: How will you feed yourself?

- IU Meal plan – some students will get the least expensive or add funds to Crimson Cash so they can swipe when on campus.
- Eating out – how frequently and the cost over time.
- Cooking – can you cook?
- Are there community resources you can connect with?

- [Crimson Cupboard](#)



2. Transportation: have a reliable plan to get to and from campus before you sign for an apartment.

- If you have a car, consider, car insurance, gas, parking pass, maintenance, or emergencies.
- Some places have shuttles – does the schedule work for your needs?
- Bloomington has a bus system!



3. Books/class materials: Essentials for every college student

- Will you buy, rent, borrow?
- You should have a plan before the semester begins and budget for books and class materials.



4. Pets: some places allow pets!

- Pet deposit
- Monthly pet rent
- Pet food and regular vet visits



MoneySmarts

❖ [Moneysmarts.iu.edu](https://moneysmarts.iu.edu)

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OUR SERVICES

Don't fret about debt. Living money smart is a better bet.

We created MoneySmarts in 2012 to help you make informed financial decisions.

Finances play a big role in accomplishing your life goals. Our office will help you identify those and work toward achieving them by establishing healthy money habits. We offer education on topics such as:

- Savings
- Budgeting
- Credit and credit cards
- Student loans
- Debt
- Workplace benefits
- Study abroad
- Major purchases
- Interpersonal relationships
- Identity theft
- Financial well-being
- And more!

I want to create an estimate for

I am attending from .

I plan to take credits in the

Get Started



Financial Aid Reimbursement (refund) dispersal...

Think ahead and plan to avoid issues.



- The release of financial aid funds happens **no sooner than 10 days before classes begin** and is managed by Student Central (Financial Aid). This is non-negotiable.
 - If you have a delay on your financial aid due to **incomplete to-do list tasks** or need for **appeals**, your **aid cannot disperse** until those things are handled.
- Rent is typically due on the **first day** (even if on a weekend) of every month, and many rental companies have late charges – read your lease.
- **August and January's rent** will both be due *before* financial aid disbursements. Plan accordingly!
 - Your rental company may make an exception, but you must speak with them directly.
 - There may still be late charges.



Additional financial things to think about...

○ Housing Budgeting:

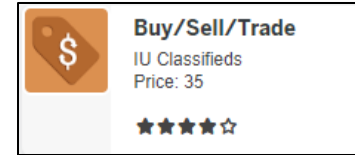
1. When writing out your budget, consider **paying your rent ahead for the semester!**
2. If you have a balance on your Bursar (bill), your financial aid will pay any charges on your IU account first, which will lessen what goes to your bank account.
3. Ask the experts! Talk to upper-class students, 21CS Staff, MoneySmarts for help with budgeting.

○ Food Budgeting:

1. Can you cook? Can you learn over the summer? What healthy and enjoyable things can you eat that require little cooking?
2. Visit a grocery website, like Kroger, to “shop” and see what your potential costs are and use for budgeting your food expenses.
3. What will you eat on days you are on campus vs. when you are at home?

○ General Budgeting:

1. Does your apartment/home come with furniture? If not, how will you furnish it?
 - Take advantage of used home goods to fill your living space! **IU Buy/Sell/Trade** and **Facebook Marketplace** are great resources.
2. Renter’s Insurance – protect your belongings!
 - Can be as low as \$20/ month



You deserve to have fun! Set aside money for leisure activities, eating out with friends, weekend adventures, downtime.

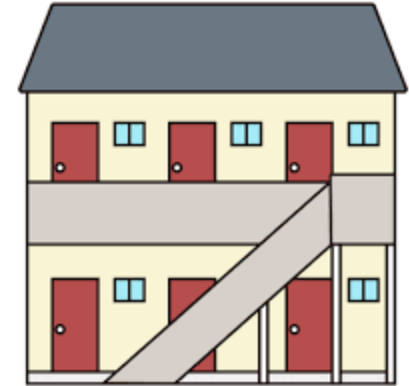


To Recap...

Moving Off-campus: Where do I start?

WHAT TO CONSIDER BEFORE RENTING

- WHEN should I start looking?
- WHERE should I be looking?
- HOW do I know what's in my price range?
- WHO will I room with?
- WHAT will be the **total** price?



What to Consider: **WHEN** should I be looking?

- AS SOON AS POSSIBLE!!!
- Housing fills up quickly
 - Especially *affordable* housing



What to Consider: WHERE should I be looking?

- PLACES IN YOUR PRICE RANGE!
- Close to campus? Near bus stop? Near grocery store? In-unit laundry?
- Look into subleases or rooms for rent
 - [IU Classifieds](#)
- Use off-campus support resources/housing finder sites:
 - [Rent College Pads](#)
 - [Apartments.com](#)
 - [Rent.com](#)
 - [Off-Campus Living Resources](#)
 - [Facebook Marketplace](#)
- Apartments VS Leasing Companies
 - [Renaissance Rentals](#)
 - [Burnham Rentals](#)
 - [Mackie Properties](#)
 - [Deer Park Management](#)
 - [Hunter Bloomington Properties](#)
- Respectable landlords
 - Reviews
 - Anonymous posting on Bloomington/ IU Facebook pages
- Apartment list
- ASK AROUND
- DRIVE AROUND



What to Consider: HOW do I know what's in my price range?

- Consider rent AND other expenses
 - If the lease doesn't say otherwise, the utilities are probably NOT included in rent
- The cheapest rent might end up being the most expensive option!
 - Electric, water, gas, sewage, parking, Wi-Fi
- “Hidden Fees”
 - Application fee
 - Renters Insurance
 - Security Deposit
 - Furnishing
 - Moving truck
- ALWAYS CALL
 - Rent prices frequently change
 - Websites sometimes unclear
- Some landlords may offer:
 - Waved application fees
 - First months rent free
 - Deposit toward 1st months rent
- Call Electric company and ask what the electric bill usually is for that unit
- [MONEYSMARTS TOOL](#)
- Semester Refund Estimate Formula



What to Consider: WHO will I room with?

- Renting a room or sharing an apartment/house will usually be the most affordable option.
- Will I be affected by my roommate's actions?
- Always have a backup plan
- How do I find a roommate?
 - Roommate matching
 - Facebook
- LEASES
- Is your potential roommate...
 - Financially responsible?
 - Extraverted? Introverted? Social?
 - In a relationship? Bringing a pet?
 - At risk of dropping out? FAFSA issues?
 - Clean? Considerate? A good communicator?
 - In a similar financial situation?



Lease Agreements

- Joint (all tenants sign same lease) or separate lease?
 - **Joint** or **traditional** lease means if someone fails to make rent payments, all residents in the space are penalized (this includes guarantors)
 - A **separate** lease means you are responsible for your portion of the rent only
 - Yet, you all will still split the utilities traditionally so choose roommates wisely
- What will you need to sign a lease?
 - A guarantor is a person that agrees to pay your rent if you fail to pay.
 - Guarantors will be required to have stable income and good credit.
 - If unable to obtain a guarantor, tenants often can pay a deposit of two month's rent at the time of signing the lease.



Lease Agreements Cont.

- Don't sign anything until everyone you want to live with is ready to sign!
 - You are bound (meaning the landlord can enforce the lease against you) as soon as you sign, even if your intended roommates don't end up signing
- Does your move in date line up with the end of your current lease?
- Take pictures of everything when you move in/out!
- Go to Student Legal Services for a [FREE lease analysis](#) before you sign a lease
- Please search for housing within your means and budget!



Questions or Concerns?

Email kaaritte@iu.edu



INDIANA UNIVERSITY BLOOMINGTON
FULFILLING *the* PROMISE